



UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, DC

Issued by the Department of Transportation on January 20, 2004

NOTICE OF ACTION TAKEN -- DOCKET OST-1996-1353  
OST-1997-2419

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of American Airlines, Inc. filed 12/22/2003 to:

XX Renew exemptions under 49 U.S.C. 40109 to provide the following services:

Docket OST-96-1353

Scheduled foreign air transportation of persons, property, and mail between a point or points in the United States, via intermediate points, and Belem, Belo Horizonte, Brasilia, Manaus, Porto Alegre, Recife, Rio de Janeiro, Salvador, and Sao Paulo, Brazil, and beyond Brazil to Argentina, Chile, Paraguay, and Uruguay.

Docket OST-97-2419

Scheduled foreign air transportation of persons, property, and mail on a code-share basis only between a point or points in the United States and Cuiaba, Curitiba, Florianopolis, Fortaleza, Foz do Iguaçu, Goiania, Joinville, Natal, Navegantes, Parana, Porto Velho, Ribeirao Preto, Sao Luis, Teresina, Vilhena, and Vitoria, Brazil and the right to integrate such authority with its U.S.-South American (Route 389) and other U.S.-Brazil exemption authority, for purposes of a code-sharing arrangement between American and TAM-Linhas Aereas, S.A.

American requests renewal of these authorities for an indefinite term.

Applicant rep: Carl B. Nelson, Jr. (202) 496-5647 DOT Analyst: Linda Senese (202) 366-2367

DISPOSITION

XX Granted, in part (subject to conditions, see below)

XX Balance dismissed (*i.e.*, request for indefinite duration)

The above action was effective when taken: **January 20, 2004**, through **January 20, 2006**, or until 90 days after final Department action on American's corresponding certificate applications in Dockets OST-95-497 (formerly Docket 48301) and OST-95-552 (formerly Docket 48343), whichever occurs earlier.

Action taken by: **Paul L. Gretch, Director**  
**Office of International Aviation**

XX The authority granted is consistent with the aviation agreement between the United States and Brazil, as amended.

(See Reverse Side)

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated: **XX Holder's certificates of public convenience and necessity**

**XX Standard exemption conditions (attached)**

**XX Statement of authorization approving the American/TAM code-share operations dated August 24, 2001, and conditions therein**

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**Conditions:** The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved, and further (a) nothing in the award of route integration authority granted should be construed as conferring upon American rights (including fifth-freedom, intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless American notifies the Department of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights, and (b) should there be a request by any carrier to use the limited-entry route rights that are included in American's authority by virtue of the route integration exemption granted here, but that are not then being used by American, the holding of such authority by virtue of route integration will not be considered as providing American a preference in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

**Dismissal:** Consistent with our standard practice for this type of application, we renewed American's exemption authority for two years, and dismissed its request for longer-term authority.

**Remarks:** American also urges the Department to act on its pending applications for broad U.S.-Brazil authority in Dockets OST-95-497 (formerly 48301) and OST-95-552 (formerly 48343). We are considering American's pending certificate applications in Dockets 95-497 and 95-552 separately.

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On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the exemption authority was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted or dismissed, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

*An electronic version of this document is available on the World Wide Web at:  
[http://dms.dot.gov/reports/reports\\_aviation.asp](http://dms.dot.gov/reports/reports_aviation.asp)*

## **Attachment**

### **U.S. Carrier Exemption Conditions**

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration and with all applicable U.S. Government requirements concerning security. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.

08/2003